

DEPARTMENT OF SOCIAL SERVICES
744 P Street, Sacramento, CA 95814



January 26, 1982

ALL-COUNTY LETTER NO. 82-06

FSD LETTER NO. 82-2

TO: ALL DISTRICT ATTORNEYS
ALL IV-D AGENCIES
ALL COUNTY WELFARE DEPARTMENTS

SUBJECT: REVISED CLAIMING PROCEDURES FOR THE CHILD SUPPORT ENFORCEMENT PROGRAM

The purpose of this letter is to inform you of State and Federal legislation which has changed the reporting of spousal support collections and state incentives.

Spousal Support

The Federal Omnibus Budget Reconciliation Act of 1981 requires IV-D agencies to enforce existing AFDC spousal support orders beginning October 1, 1981. You are probably aware that the California legislature has not yet passed state legislation to implement many of the federal changes including the spousal support provisions. However, existing state law (CC 4801.7 as amended by AB 1982, Chapter 822, Statutes of 1981 effective January 1, 1982) requires district attorneys to enforce existing spousal support orders that are in arrears along with orders for child support in AFDC cases. We believe that this section provides adequate authority for immediate implementation of the spousal support provision.

Therefore, any spousal support collected for an AFDC case beginning October 1, 1981, should be retained by the district attorney and processed in the same manner as child support collections. When child and spousal support are collected by the district attorney, the collection should be reported on the CS 278M, Line A.4. It is important to update the amount of the current obligation to reflect the existing order for spousal support and a note indicating the reason for the change will be helpful to the agency performing distribution. The amount of assigned arrearages (Line A.4. (b)) should be updated as needed.

Application of monies collected will be made in the following order of preference: 1) Apply the collection to the current child support obligation; 2) Apply the remainder to the current spousal support obligation; 3) Apply the remainder to child support arrears; 4) Apply the remainder to spousal support arrears; and, 5) If all the aforementioned obligations are met, apply any remainder to futures.

Entries on the CS 278L and CS 801 will continue to be a one-line entry, with child and spousal support posted cumulatively. Both spousal and child support collections in AFDC cases are now eligible for state and federal incentives; therefore, all collections will be reported on the CS 800 and CS 801 cumulatively, not separately.

State Incentives

As you know, SB 633 eliminated the 12.75 percent state incentive effective July 1, 1981. SB 879, however, reinstated the state incentive at 7.5 percent effective January 1, 1982, retroactive to October 1, 1981. Collections received between July 1 and September 30, 1981, are not eligible for any state incentive and will need to be reported on separate claim forms (CS 800 and CS 801) from those collections received on or after October 1, 1981.

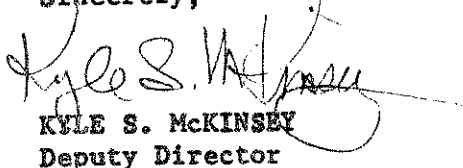
Attached for your information is a list of repayment ratios and incentive percentages starting from the inception of the IV-D Program on October 1, 1975, to present. Please remember that when the fiscal year, recoupment or incentives change, a separate CS 800 and CS 801 must be used for each change. Collections received during a given fiscal year with a constant recoupment rate and level of incentives may be grouped on a single CS 800. Three separate payrolls (CS 801) are still needed, however, for Family Group (FG) cases, Unemployed (U) cases, and Foster Care (FC) cases.

Child support forms CS 278M, CS 278L, CS 800 and CS 801 are being revised to accommodate the changes identified in this letter. You may continue to use the current forms until you receive a supply of new forms.

For information and planning purposes only, we feel it is important to inform you that we anticipate OCSE requiring a case count of spousal support collections. This data would be reported on the Monthly Statistical Report on Child Support Enforcement Activities (CS 850).

If you have any questions, please call your county Child Support consultant at 916/322-6384.

Sincerely,


KYLE S. MCKINSEY
Deputy Director

Attachment

TITLE IV-DFUNDING, INCENTIVE AND REPAYMENT HISTORY1975/76 (October-June)

	<u>Federal</u>	<u>State</u>	<u>County</u>
Funding:	75%	Ø	25%
*Incentive:	25% or 10%	8.75% or 23.75%	Ø
Repayment Ratio:	.47	.34	.19

1976/77

Funding:	75%	Ø	25%
*Incentive:	25% or 10%	2.75% or 17.75%	Ø
Repayment Ratio:	.47	.34	.19

1977/78

Funding:	75%	Ø	25%
*Incentive: (July-Sept.)	25% or 10%	2.75% or 17.75%	Ø
(Oct.-June)	15%	12.75%	Ø
Repayment Ratio:	.47	.34	.19

1978/79

Funding:	75%	25%	Ø
Incentive:	15%	Ø	Ø
Repayment Ratio:			
FG, U	.47	.53	Ø
BHI (Fed. & Non-Fed.)	.47	.5035	.0265
All Cases: Arrears applied to unreimbursed assistance accrued prior to 7/1/78	.47	.34	.19

*These incentive rates were paid in accordance with the Twelve-Month Support Obligation Pool (TMSO). For the first 12 months of collections the first rate was paid, thereafter (13th month on) the second rate was paid.

1979/80

	<u>Federal</u>	<u>State</u>	<u>County</u>
Funding:	75%	Ø	25%
Incentive:	15%	15%	Ø
Repayment Ratio:			
FG, U	.47	.47	.06
BHI	.47	.50	.03

1980/81

Funding:	75%	Ø	25%
Incentive: (July-Dec.)	15%	15%	Ø
(Jan.-June)	15%	12.75%	Ø
Repayment Ratio:			
(July-Sept.) FG, U	.49	.4549	.0551
BHI (Fed.)	.50	.475	.025
BHI (Non-Fed.)	Ø	.95	.05
(Oct.-June) FG	.4998	.4462	.054
U	.4251	.5128	.0621
BHI/FC	.50	.475	.025
Non-Fed. BHI/FC	Ø	.95	.05

1981/82

Funding:	75%	Ø	25%
Incentive: (July-Sept.)	15%	Ø	Ø
(Oct.-June)	15%	7.5%	Ø
Repayment Ratio:			
FG	.4998	.4462	.054
U	.4395	.50	.0605
FC	.50	.475	.025
Non-Fed. FC	Ø	.95	.05